

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: DREYER et al

Serial No.: 10/788,919

Filed: February 27, 2004

Mark: **METHOD OF REFINANCING A
MORTGAGE LOAN AND A CLOSING
PACKAGE FOR SAME**

**COMMERCIAL SUCCESS DECLARATION OF
MARK GUGINO UNDER 37 C.F.R. § 1.132**

I, Mark Gugino, declare as follows:

1. I am a citizen of the United States located at 3480 Stateview Blvd., Fort Mill, South Carolina 29715.

2. I am a Vice President for Wells Fargo Home Mortgage, the Assignee of the above-identified patent application.

3. Wells Fargo Home Mortgage markets and sells a method of refinancing a mortgage loan. The method of refinancing a mortgage loan generally comprises pre-approving a customer for refinancing of a mortgage loan, preparing an offer that provides a presentation of terms of the refinanced mortgage loan, pre-acceptance disclosures, and instructions describing how the customer may accept the offer. Upon receiving acceptance of the offer from the customer according to the terms of the refinanced mortgage loan, the pre-acceptance disclosures and conditions, and the instructions, the customer is sent a closing package to be executed by the customer based upon the customer's acceptance of the offer, which creates a refinancing loan agreement, in the absence of a meeting, upon the customer solely executing the closing package.

4. Our method of refinancing a mortgage loan having the aforementioned features has enjoyed significant commercial success. As identified by the evidence presented herein, the commercial success flows directly from these features.

5. A method which presents an offer to a pre-approved customer that presents documents, disclosures and instructions, and a closing package which is sent to the customer upon acceptance as indicated above significantly improves the traditional mortgage origination process for the customer. Specifically, by pre-approving the customer, by arranging the offer with terms, disclosures and instructions, and by sending a closing package to the customer for execution in the absence of a meeting, the process is significantly streamlined and simplified. Using this method, the customer simply accepts an offer and signs a closing package to refinance his or her mortgage. Moreover, this process can be accomplished over the phone or through the mail, eliminating the need for a meeting between the parties. The process results in improved efficiency for all parties over traditional methods.

6. Using the method of refinancing having the aforementioned features, since inception, this process has resulted in an approximate 100% increase in loans closed per employee and an approximate 50% decrease in cost per loan, which includes both the cost to prepare and cost to fulfill a loan.

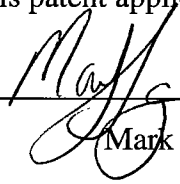
7. Using the method of refinancing having the aforementioned features, in 2003, after the product was introduced, the productivity was approximately 100 loans per employee, per month and 430,000 refinance loans were completed in one year. In one month alone, 86,000 refinance loans were completed.

8. This improvement in efficiency and success is a direct result of the expedited loan process of the method of refinancing identified herein. This increase in sales, productivity, and efficiency is believed to be due to the merits of the product. No extraordinary marketing activities were under taken that could possibly account for the commercial success of this product.

9. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonments, or both under Section 1001

of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of any patent issuing from this patent application.

Date: 10/26/07


Mark Gugino

4827-2315-9297\1